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Italy

Canned Deciduous Fruit

Annual

2002

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Report Highlights: In 2001/02 Italian canned pears and mixture are estimated to have increased by 53 percent and 6 percent respectively over the past year. Canned peaches output continues to decline. Concentration of the fruit canning industry continues the trend started in the 1990's. Italian canned fruit exports increased slight in 2001/02.

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

Rome [IT1], IT

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SITUATION AND OUTLOOK

Since there are no official statistics available for deciduous canned fruit, production data are estimated on the basis of subsidy claim information provided by the Ministry of Agriculture. For canned peaches and pears, the Ministry data are considered to be fairly accurate, but for canned mixtures, however, the Ministry data only includes mixtures made from domestically produced fruit as opposed to product containing imported fruit. Most of the fruit included in the mixtures is imported from other EU countries without any additional subsidies added on to those received in the originating country. The remaining share is almost exclusively imported from South Africa, Egypt and Thailand.

As the Ministry of Agriculture is still reviewing figures for 2001/02 fruit processing campaign, PS&D preliminary data for 2001 originate from information provided by our trade contacts and producer associations.

An increase in Italian canned pear and mixture output is estimated for 2001/02, however a decline is foreseen for canned peach production. The reported increase in canned pear and mixture output is due to a good fruit supply, but especially to a positive trend in Italian exports. The very good quality of Italian Williams pears used for canning make Italian canned pears and mixture very competitive on the European market.

The decline in Italian canned peach output is only due to growing competition from Greece while Italian stock remains large. During the last two processing seasons canned peaches from Greece were approximately as large as Italian domestic production. Greek peaches are imported in bulk and repackaged under an Italian brand.

For the 2002/03 marketing year Italian canned fruit production is forecast to remain at the same levels, assuming that the fruit producing season proceeds regularly.

Although Italian exports of canned pears and mixtures remain large, Italian canned fruit industry overall is facing a chronic crisis started at the beginning of 90's.

The main reasons for this crisis are:

- S** An overall decline in canned fruit consumption, due to competition from fresh fruits ever more available in quantity and types all year long. Catering companies, restaurants and the confectionary industry remain the major users of Italian canned fruits.
- S** A consolidated supremacy of Greece for canned peaches and a growing competition in other canned fruits from Spain, South Africa and China.

S A continuing decline in EU subsidies due to WTO Agreements and canned fruit overproduction. The European Union reduces a subsidy when the average production of the last three campaigns exceeds the national quota.

A result of the above mentioned crisis is a continual process of concentration and shut-downs of canning plants in the Italian fruit processing industry. In 2001 the two major Italian companies accounted for 40% of market, while supermarkets' private labels accounted for 26% of market and the remaining 34% was shared among many small and medium companies.

In MY 2001/02 the new European Union regime for canned fruit was implemented. A single subsidy replaced the former minimum price pack to growers and the processing subsidy paid to canners. Now a single subsidy is paid directly to farmers as follows:

47.70 Euros/ton for peaches.

130.68 Euros/ton for pears.

The national production quota for Italy is 42,309 tons for peaches and 45,708 tons for pears. According to preliminary data available Italian producers did not exceed their quota in 2001/02.

Export prices for Italian canned fruits in 2001 averaged as follows:

Canned peaches 0.61 Euros/Kg net weight F.O.B.

Canned pears 0.91 Euros/Kg net weight F.O.B.

Canned mixtures 0.93 Euros/Kg net weight F.O.B.

Italian exports of canned pears and mixture in 2001 increased and are forecast to remain at the same high level for 2002. Most of the domestic output of canned pears and cocktails are exported. Canned peaches exports also increased slightly in 2001 and are forecast to slightly increase in 2002 but imports continue to represent a large share of total supply.

Italian canned peaches stocks declined in 2001 and 2002 but levels remain important. Most Italian canned fruit exports are delivered to European markets. In 2001 about 40% of total canned fruit exports were delivered to Germany which is still the major customer for Italy.

PSD TABLES

CANNED PEACHES

PSD Table						
Country	Italy					
Commodity	Canned Peaches				(MT)(MT, Net Weight)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		06/2000		06/2001		06/2002
Deliv. To Processors	25500	25500	21000	20000	0	20000
Beginning Stocks	11500	11500	20000	20000	20000	18000
Production	26500	26500	22000	21000	0	21000
Imports	25000	25000	20000	20000	0	16000
TOTAL SUPPLY	63000	63000	62000	61000	20000	55000
Exports	32000	32000	32000	33000	0	34000
Domestic Consumption	11000	11000	10000	10000	0	9500
Ending Stocks	20000	20000	20000	18000	0	11500
TOTAL DISTRIBUTION	63000	63000	62000	61000	0	55000

CANNED PEARS

PSD Table						
Country	Italy					
Commodity	Canned Pears				(MT)(MT, Net Weight)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		06/2000		06/2001		06/2002
Deliv. To Processors	32000	27000	30000	42000	0	42000
Beginning Stocks	16000	16000	6000	0	1000	0
Production	36000	30000	34000	46000	0	46000
Imports	2000	2000	4000	2000	0	2000
TOTAL SUPPLY	54000	48000	44000	48000	1000	48000
Exports	39000	39000	35000	40000	0	41000
Domestic Consumption	9000	9000	8000	8000	0	7000
Ending Stocks	6000	0	1000	0	0	0
TOTAL DISTRIBUTION	54000	48000	44000	48000	0	48000

CANNED MIXTURES

PSD Table						
Country	Italy					
Commodity	Canned Mixtures				(MT)(MT, Net Weight)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		06/2000		06/2001		06/2002
Deliv. To Processors	65000	65000	64000	68000	0	68000
Beginning Stocks	6500	6500	1500	1500	500	500
Production	69000	69000	68000	73000	0	73000
Imports	3000	3000	5000	3000	0	3500
TOTAL SUPPLY	78500	78500	74500	77500	500	77000
Exports	70000	70000	67000	70000	0	70000
Domestic Consumption	7000	7000	7000	7000	0	7000
Ending Stocks	1500	1500	500	500	0	0
TOTAL DISTRIBUTION	78500	78500	74500	77500	0	77000

TRADE MATRIXES

Canned peaches imports

Import Trade Matrix			
Country	Italy		
Commodity	Canned Peaches		
Time period		Units:	M.T.
Imports for:	2000		2001
U.S.	60	U.S.	0
Others		Others	
Greece	18300	Greece	17800
Germany	3200	Germany	2400
Total for Others	21500		20200
Others not Listed	2440		2800
Grand Total	24000		23000

Canned peaches exports

Export Trade Matrix			
Country	Italy		
Commodity	Canned Peaches		
Time period		Units:	M.T.
Exports for:	2000		2001
U.S.	14	U.S.	3
Others		Others	
Germany	16750	Germany	18000
France	3600	France	3200
Austria	2000	Austria	2400
U.K.	1500	U.K.	1600
Belgium	1300	Belgium	1300
South Korea	900	South Korea	550
		Netherlands	3900
Total for Others	26050		30950
Others not Listed	5936		1847
Grand Total	32000		32800

Canned pears imports

Import Trade Matrix			
Country	Italy		
Commodity	Canned Pears		
Time period		Units:	M.T.
Imports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	
South Africa	1400	South Africa	400
Total for Others	1400		400
Others not Listed	400		500
Grand Total	1800		900

Canned pears exports

Export Trade Matrix			
Country	Italy		
Commodity	Canned Pears		
Time period		Units:	M.T.
Exports for:	2000		2001
U.S.	1	U.S.	0
Others		Others	
France	13100	France	14600
Germany	11800	Germany	14300
U.K.	3200	U.K.	4100
Netherlands	2100	Netherlands	1700
		Greece	2600
Total for Others	30200		37300
Others not Listed	5799		3900
Grand Total	36000		41200

Canned mixtures imports

Import Trade Matrix			
Country	Italy		
Commodity	Canned Mixtures		
Time period		Units:	M.T.
Imports for:	2000		2001
U.S.	0	U.S.	0
Others		Others	
France	1300	France	700
Total for Others	1300		700
Others not Listed	1900		1900
Grand Total	3200		2600

Canned mixtures exports

Export Trade Matrix			
Country	Italy		
Commodity	Canned Mixtures		
Time period		Units:	M.T.
Exports for:	2000		2001
U.S.	350	U.S.	53
Others		Others	
Germany	19900	Germany	26500
France	16500	France	18400
U.K.	14200	U.K.	14100
Netherlands	5500	Netherlands	3500
Total for Others	56100		62500
Others not Listed	10550		11347
Grand Total	67000		73900